Bureau of Land Management Carlsbad Field Office Draft Policy

Temporary Surface Lines for Transporting Water for Drilling & Completions Operations

I. Introduction

Drilling & Completion operations, including but not limited to hydraulic fracturing (fracking) and workovers, require large quantities of water (fresh and/or treated produced water) to be transported across public lands utilizing temporary surface lines. The Carlsbad Field Office (CFO) has previously given verbal approval for these temporary surface lines. There have been occurrences of temporary surface lines being installed without BLM approval. This practice resulted in instances of resource damage and impacts to other public land users.

The CFO worked with ranchers and members of the oil and gas industry (industry) to develop the following policy. This policy provides resource protection while meeting the needs of ranchers and industry.

This policy only addresses temporary surface lines carrying water (fresh and/or treated produced water) used for drilling & completion operations and construction compaction.

Temporary Surface Lines is defined as any line, regardless of size, that will be on surface for 180 days or less.

II. Authorization Process

A. Temporary Surface Lines installed after the effective date of this policy

Temporary surface lines meeting the criteria in section IIII of this policy will be permitted through a Letter of Authorization signed by the BLM Authorized Officer. Careful advance planning with BLM personnel on handling your request for a temporary fresh water line is key to success. At least 7 working days in advance is recommended in requesting for a temporary water line in order to avoid many problems and costly delays later in the process.

For cooperative planning with the Grazing Permittee, the Letter of Authorization should include the name and contact information of the Grazing Permittee if one exists. The BLM will provide a copy of the Letter of Authorization to the Grazing Permittee, if applicable.

Requests for temporary surface lines do not require the submittal of a formal Right-of-Way application (SF-299). Other temporary lines that do not meet the Section III criteria or long-term lines will be authorized through the SF-299 Right-of-Way process.

Temporary surface lines approved under this process will not be charged for BLM processing or for land rental.

The BLM Authorized Officer for CFO will require that companies/operators making use of this mechanism, agree to compliance measures outlined in this policy and in the Letter of Authorization.

Temporary surface lines may be approved through an APD (whether they are on or off lease) or Sundry Notice if they are entirely within a lease or unit. Lines approved under an APD or Sundry Notice are not required to request additional authorization outlined in this policy but should adhere to notification of installation and removal requirement.

B. Existing Temporary Surface Lines installed prior to the effective date of this policy

All existing temporary surface lines installed prior to effective date of this policy, regardless of size, that have not obtained prior authorization from the BLM, must be applied for as outlined in this policy within 90 days of the effective date of this policy. If not applied for within time specified, the temporary surface line operator will be subject to trespass notice.

The CFO may require modifications to existing lines if the lines are impacting critical resources.

III. Applicability

A. Definitions

- Freshwater, for the purpose of this policy, is defined as containing less than 10,000 mg/l Total Dissolved Solids (TDS), exhibiting no petroleum sheen when standing, and not previously used in mechanical processes that expose it to heavy metals or other potential toxins.
- 2. Produced Water is defined as an incidental byproduct from drilling for or the production of oil and gas.
- 3. "Treatment" refers to the reconditioning of produced water to a reusable form and may include mechanical and chemical processes.
- 4. Small-diameter lines are those less than or equal to 6.5 inch outside diameter (OD).
- 5. Large-Diameter lines are those greater than 6.5 inch OD but less than 18" but could be greater if approved by BLM.

- Lay-flat lines are those lines that vary in size which expand while in use and contract to surface when purged and emptied.
- 7. Fused lines are those lines that vary in size which do not expand while in use, i.e. surface rigid polyurethane lines.
- 8. An existing lease road is defined as a road built and/or maintained by equipment, and which shows no evidence of ever being closed to vehicular traffic by such means as berms, ripping, scarification, reseeding, fencing, gates, barricades, or posted closures.
- 9. A two-track road is defined as a linear route used by vehicles that does not receive mechanical maintenance. Often (but not always) there is vegetation growing between the tracks on some sections of the two-track road.

Note: This policy, also, applies to county roads and roads maintained for public use, if those roads are located on Federal land. BLM Letter or Authorization does not alleviate the need to obtain other required permits from other agencies, i.e. the county or SLO.

B. Temporary surface Lines covered by this policy

- Small and large diameter surface rigid polyurethane lines operating for 180 days or less.
- 2. Small and large diameter lay-flat lines operating for 180 days or less.
- 3. Or other line types as approved by the Authorized Officer

C. Temporary Surface Lines not allowed by this policy

- 1. Temporary Lines that are not authorization by the BLM.
- Temporary Lines in areas identified by the CFO as gypsum soils except along surfaced lease roads or public roads.
- Lines carrying produced water, condensates, crude oil products, brine water, or any other fluid that has not gone through a process by which to recycle and reuse water.

IV. Submittal requirements for Temporary Surface Lines authorized under this policy.

- 1. The following will be required with request to lay temporary lines to transport water:
 - Company name and address;
 - Contact person name, telephone, and email address;

- Name of project;
- Size and (if applicable) number of lines proposed;
- Beginning and endpoints of line(s) [e.g., "from White City frack pond to Well XXYY #31;
- Purpose of the <u>Lline</u>;
- Number of days line is proposed for, and
- Anticipated dates (installation and removal);
- Map or maps of sufficient detailed scale to accurately show proposed route.
 Provision of an electronic map file (shape file or KMZ file) should be submitted whenever feasible.

V. Location criteria and operational requirements

A. All new temporary surface lines shall comply with the following stipulations

- 1. The operator of the line and/or the BLM will coordinate route with contact the BLM livestock grazing permittee(s), if one exists, -prior to submitting the request for installing the temporary surface line(s).
- 4-2. The temporary surface line(s) shall be laid no more than 10 feet from the edge of the existing disturbance (i.e., edge of bar/borrow ditch, road surface or two-track road or other man-made addition to the landscape). A push off arm or other mechanism will be used. All vehicle equipment will remain within the existing disturbance.
- 2.3. The temporary surface line(s) must be labeled to identify operator of the lines(s). The label should include, at a minimum, the name of company and an applicable phone number, line content (fresh water or treated produced water). The labels should be placed at beginning, ending and every half mile in between.
- 3.4. The operator of the temporary surface line(s) is responsible for monitoring the line(s) to ensure integrity and adequately detect leaks or other impacts in a timely manner. Operators shall communicate any issues to the BLM.
- 4.5. Temporary Surface Lines crossing fences should be avoided when possible. If a fence crossing is necessary, the grazing permittee will be contacted prior to installation. The line will be threaded under, the lowest wire of the fence. If lay-flat lines are installed, need to ensure line will not rub fence when inflated in order to minimize risk of leaks. Lines will never cross over any fence wires.
- 5.1. The operator of the line and/or the BLM will contact the BLM livestock grazing permittee(s) prior to installing the temporary surface line(s).

- An archaeological survey is not required by the operator of the line when routes follow existing disturbance since all vehicular traffic will remain on the road or existing disturbance.
- 7. An archaeological survey (or the use of the Permian Basin Programmatic Agreement) may be required when a route follows a two-track road. When the Permian Basin Programmatic Agreement is used, the company is only required to pay for portions of the Lline route that have not been previously surveyed.
- 8. A paleontological survey is not required for temporary surface lines.
- 9. Blading and earthwork, except burying the line at a road and/or BLM designated trail crossings, must be approved in the Letter of Authorization. All buried crossings will be filled, compacted and reclaimed when the line is removed. Other crossing technologies may be proposed in the submittal and approved in the Letter of Authorization. If any fill is placed over lines, it may be brought in from off-site and should be free of noxious weeds. If line is buried or covered, labeling (as described in item 2 above) to identify line(s) must be on the nearest above ground beginning and ending connections of the effected line.
- 10. The Lesser Prairie Chicken (LPC) timing restriction (March 1 to June 15) will apply when the project falls the within designated Timing Restriction Area. Restrictions include no work between 3:00 a.m. and 9:00 a.m. local time and noise limits on pumps and compressors. If a waiver of the timing restriction for operations has previously been approved by the BLM, the operator can provide a copy of the waiver with the request for the temporary surface line. This will allow the waiver to extend to the operations of the temporary surface line.
- 11. In Dune Sagebrush Lizard habitat, lines will only be authorized along improved lease roads or public roads.
- 12. Approvals under this policy are limited to a 10-foot width. In the case of multiple lines, the 10-foot widths will overlap.
- 13. Pumps and other maintenance equipment will only be installed along maintained lease roads or existing disturbances authorized by the Authorized Officer.
- 14. Pumps will be placed on heavy plastic liners inside a secondary containment structure capable of capturing any motor fluids that could be released. Containments must be protective against wildlife, cattle and migratory bird access n accordance with standard oilfield Best Management Practices (BMPs). Containments must be maintained and kept free of trash.
- 15. If during installation or removal of temporary surface line(s) results in ruts 4" or greater, the operator will be required to reclaim the impacted land according to the reasonable requirements of the BLM Authorized Officer.

- 16. Placement or boring of lines along or under public roadways may require permits from the appropriate road authority. Proper labeling (as described in item 2 above) for lines placed under roadways is required to be on nearest above ground beginning and ending connections.
- 17. BLM authorization applies only to lands under the CFO jurisdiction. If the proposed temporary surface line will cross lands managed by a private party or other agency jurisdiction, it is the company's responsibility to obtain any necessary permits and approvals.
- 18. The company's field crew shall have, in their immediate possession, a copy of the Letter of Authorization (which includes grazing permittee contact, if applicable) while installing, operating, and removing temporary surface lines.
- 19. Should damage occur (beyond normal disturbance of line installation) to natural resources, the company will notify the CFO and complete reclamation of the impacted land according to the requirements of the BLM Authorized Officer.
- 20. No water containing more than 10,000 mg/l TDS may be discharged into the environment. When waterlines or hoses are decommissioned, water remaining in the lines will be pumped or pigged to one end with fresh water; any residual water that is discharged when lines are cut or disconnected may not be released where mud hazards might result.
- 21. When water containing more than 10,000 mg/l TDS is released, removal of standing water by vacuum truck will be required. If necessary, the ponded water will be fenced to restrict livestock access. Soil sampling may be required to determine whether salt remediation is necessary.
- 22. Additional mitigation measures may be required in individual cases.

B. Small and Large Diameter Temporary Surface Lines

- 1. In cases where one or more small or large diameter line(s) is requested, lines must be placed at a minimum distance of 18" apart and cross-overs may need to be installed to allow passage (livestock/wildlife/vehicle). Blocking water access to livestock should be avoided.
- 2. Letters of Authorization will allow temporary lines to be used and remain in place for 180 days or less from the date BLM gets notice of installation.
 - a. If no notice of installation is received, Letter of Authorization shall expire 180 days from the date authorization was issued.
- 3. If it is determined that the line will be needed longer than 180 days, the company may be allowed a one-time 90-day extension.

4. The company shall file for a right-of-way (SF-299) with the CFO, when determined that their temporary surface line(s) will become permanent and 30 days prior to Letter of Authorization expiration. This will allow the line(s) to remain in place and in use while the SF-299 is being processed. Otherwise the temporary line(s) will be removed at or before the end of the 180-day period.

VI. Notification of Installation and Removal

- A. Operator/Company shall notify the BLM and Grazing Permittee at least 48 hours prior to line being installed when line will be installed. Notification shall include:
 - Anticipated Date of installation
 - company name and address;
 - contact person name, telephone, and email address;
 - name of project;
 - a map or maps of sufficient detailed scale to accurately show proposed route, including Section, Township, and Range. Provision of an electronic map file (shape file or KMZ file) should be submitted whenever feasible.
 - size and (if applicable) number of lines proposed;
 - beginning and endpoints of line(s) [e.g., "from White City frack pond to Well XXYY #31] including Section, Township, and Range;
 - purpose of the **L**line;
 - number of days line is proposed for, and
 - anticipated removal date
 - Method of Identification (i.e. labeling of line(s) with operator of line info which includes content (fresh water, treated produced water))
- B. The Operator/Company must notify the BLM and Grazing Permittee at least 48 hours prior to line being removedwhen line was removed. Notification shall include:
 - Date of removal
 - company name and address;
 - contact person name, telephone, and email address;
 - name of project;
 - size and (if applicable) number of lines removed;
 - beginning and endpoints of line(s) [e.g., "from White City frack pond to Well XXYY #31] including Section, Township, and Range;
 - If the Line crossed a fence, was it adequately repaired?
 - If pumps were used, was any fuel spilled outside the containment?
 - Did removal of the Lline cause any damage to natural resources?
 - Was blading or earthwork done to place the <u>Lline</u> (except burying the line at road and BLM designated trail crossings)?
 - For removal of a line, ensure all buried crossings were filled, compacted and leveled to as near as found conditions.

B. Non-Compliance:

Installing a temporary surface Lline without authorization from BLM CFO constitutes a trespass for the purposes of this policy. Failure to promptly obtain a Letter of Authorization within 90 days of effective date of this policy for existing unauthorized surface lines, also constitutes a trespass.

If a company lays a line in trespass, no rights-of-way grants or Letters of Authorization will be processed until the trespass case is addressed.

For the purposes of this policy, trespass clock restarts 3 years after the first trespass has been issued.

Below are the details when trespass occurs:

First trespass:

- trespass fines;
- <u>reclamation of unapproved disturbance or off-site reclamation of 1 well pad</u> (approx. 3 acres).

Second trespass:

- trespass fines;
- off-site reclamation of 2 well pads (approx. 6 acres).

Third trespass:

- · trespass fines;
- off-site reclamation of 3 well pads (approx. 9 acres) +
- \$25,000 bond to cover the existing and future pipelines.

Fourth trespass:

- · trespass fines;
- off-site mitigation of 4 wells (approx. 12 acres) and
- possibly pulling \$25,000 bond.